

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF UNION PACIFIC)
RAILROAD'S INTENT TO ABANDON A) CASE NO. UPR-R-04-2
PORTION OF THE DRY VALLEY)
SUBDIVISION BETWEEN MP 23.90 TO MP) NOTICE OF INTENT TO
24.11 IN CARIBOU COUNTY, IDAHO.) ABANDON AND SELL A RAIL
) LINE
)
) NOTICE OF HEARING
)
) ORDER NO. 29657
)**

On November 10, 2004, Union Pacific Railroad filed its Combined Environmental and Historical Report with the Commission stating that it intended to file a notice with the Surface Transportation Board (STB) to abandon part of the Dry Valley rail line in Caribou County, Idaho. The line proposed for abandonment is a short stretch of track approximately 0.21 miles in length running from milepost (MP) 23.90 to MP 24.11. The STB is the entity of the U.S. Department of Transportation authorized to grant or deny rail line abandonment.

NOTICE OF INTENT TO ABANDON

YOU ARE HEREBY NOTIFIED that in its Combined Report, Union Pacific indicated that it will likely file its Notice seeking an abandonment "exemption" with the STB on or after December 29, 2004. Unlike the traditional abandonment process, the exemption process allows a railroad to abandon a rail line in as few as 30 days. To be eligible to file a Notice of Exemption, a railroad must certify that no rail traffic has moved on the line for the past two years and there are no outstanding complaints about the lack of rail service on the portion to be abandoned. Under the exemption process, the STB will publish a notice in the Federal Register within 20 days after the Notice of Exemption is filed. Thirty days after the Notice is published in the Federal Register, the railroad is permitted to abandon the rail line unless the STB stays the abandonment and discontinuance of service.

NOTICE OF INTENT TO ABANDON AND SELL
NOTICE OF HEARING
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YOU ARE FURTHER NOTIFIED that the line in question is used to serve a single customer that ships phosphate ore from a mining operation in Dry Valley. The line was constructed in 1965 by Union Pacific for the El Paso Gas Products Company and is constructed of 131-pound jointed rail. There are no other shippers in the area and there is no overhead traffic.

YOU ARE FURTHER NOTIFIED that Union Pacific stated that the sole reason for the proposed abandonment is to sell this quarter-mile of track to the mining shipper, Agrium. Selling this track to Agrium will provide more track space and allow Agrium to assemble larger dedicated unit trains "with its own personnel and permit it to maximize its rail shipping activity." Combined Report at 3. Consequently, abandonment will not result in the loss of rail service to Agrium. A map of the line subject to abandonment is attached.

NOTICE OF HEARING

YOU ARE FURTHER NOTIFIED that the abandonment of rail lines and the discontinuance of rail service are governed by federal law. As this Commission has stated many times, the authority to grant or deny the abandonment of rail lines rests with the STB, not this Commission. However, *Idaho Code* § 62-424 requires that the Commission schedule a public hearing on the proposed abandonment. The purpose of the hearing is for the Commission to determine whether the abandonment would: (1) adversely affect the area being served; (2) impair the access of Idaho shippers to vital goods and market; and (3) whether the rail line has the potential for profitability. If the Commission finds that the abandonment would adversely affect the area being served and the line has the potential for profitability, then the Commission may represent the State of Idaho in the STB abandonment proceeding.

YOU ARE FURTHER NOTIFIED that the Commission will convene a hearing in this matter on **THURSDAY, JANUARY 6, 2005 AT 10 A.M. IN THE COMMISSION'S HEARING ROOM, 472 W. WASHINGTON STREET, BOISE, IDAHO 83702.** Persons wishing to participate by telephone should contact the Commission Secretary at (208) 334-0338 no later than Tuesday, January 4, 2005 to make the necessary arrangements.

YOU ARE FURTHER NOTIFIED that all hearings in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate

in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: secretary@puc.state.id.us

YOU ARE FURTHER NOTIFIED that the Combined Environmental and Historical Report has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices. The Combined Report is also available for public inspection via the Commission's Website at www.puc.state.id.us. Interested persons may review the combined Report by clicking on "File Room" on the left hand side of the Commission's homepage and then clicking on "Rail Cases."

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter pursuant to *Idaho Code* § 62-424. All proceedings in this case will be held pursuant to the Commission's jurisdiction and the Commission may enter any final Order consistent with its authority.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER

IT IS HEREBY ORDERED that the Commission will convene a public hearing in this case as set out above. Persons interested in participating by telephone must call the Commission Secretary at (208) 334-0338 no later than January 4, 2005.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 14th
day of December 2004.



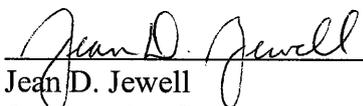
PAUL KJELLANDER, PRESIDENT

Commissioner Smith Out of the Office
MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

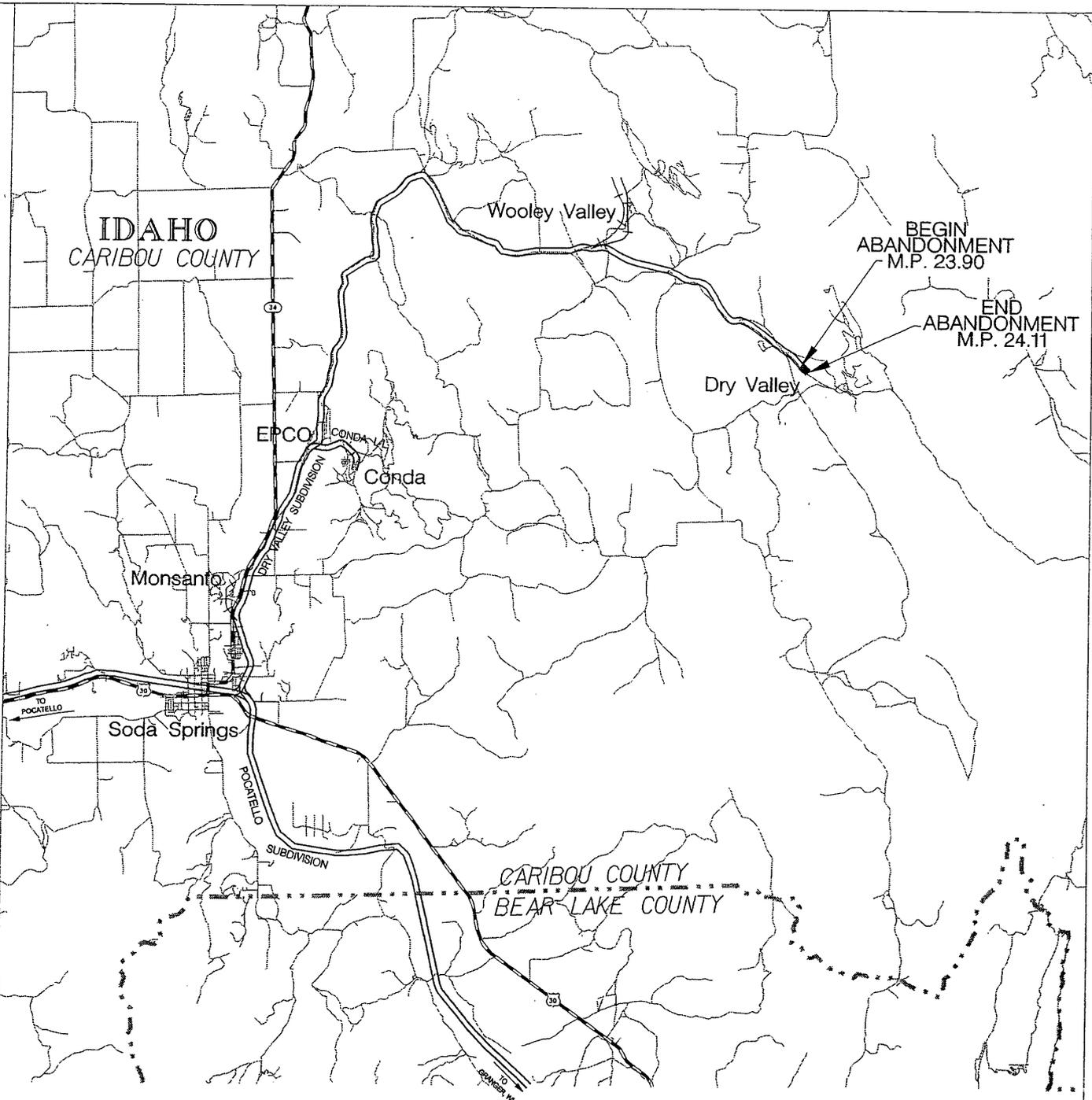
ATTEST:



Jean D. Jewell
Commission Secretary

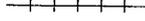
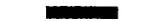
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NOTICE OF INTENT TO ABANDON AND SELL
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NOTE: THERE ARE NO 50+ YEAR OLD STRUCTURES

LEGEND

-  UPRR LINES TO BE ABANDONED
-  OTHER UPRR LINES
-  OTHER RAILROADS
-  PRINCIPAL HIGHWAYS
-  OTHER ROADS
-  50+ YEAR OLD STRUCTURES

DRY VALLEY SUBDIVISION

MP 23.90 TO MP 24.11
 TOTAL OF 0.21 MILES
 IN CARIBOU COUNTY, IDAHO

UNION PACIFIC RAILROAD CO.

DRY VALLEY SUBDIVISION

DRY VALLEY, IDAHO

INCLUDING 50+ YEAR OLD STRUCTURES

